

We remain committed to effectively representing BC's interests in any proposal that may negatively affect the already over-burdened Lower Fraser Valley airshed. The ministry is working with both Canadian and American air quality agencies as part of an international cooperative effort to improve the quality of the airshed, and to provide a broader context for evaluating projects such as the Cherry Point proposal.

Best regards,

ORIGINAL SIGNED BY

Joyce Murray
Minister

cc: Mayor McCallum & Council, Surrey
Mayor Staub & Council, White Rock
Lower Fraser Valley Air Quality Agency Members:
- Environment Canada - D. Fast
- GVRD - J. Carline
- FVRD - G. Kingston
- MELP - Surrey office - J. McCracken
- Northwest Air Pollution Authority - J. Randles
✓ Washington Energy Facility Site Evaluation Council - A. Fiksdal
BP Amoco - B. Sullivan

Official Opposition
Room 201, Parliament Buildings
Victoria, B.C. V8V 1X4
Phone: (250) 356-6171
Fax: (250) 356-7109



Province of
British Columbia
Legislative Assembly

Constituency Office
105-8615 Young Road
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Email: localmfa@uniserve.com
www.cyberpage.com/penner/



Barry Penner, MLA
(Chilliwack)

March 18, 2001

The Honourable Ian Waddell
Minister of Environment, Lands & Parks
Parliament Buildings
Victoria, B.C.
V8V 1X4

Dear Minister: *Ian*

Re: 750 Megawatt Gas-Fired Power Plant Proposal

As indicated in a letter to you from my colleague Gordon Hogg (MLA for Surrey-White Rock), British Petroleum is hoping to build a new 750 megawatt natural-gas fired power plant at their Cherry Point oil refinery in northwestern Washington State.

Fraser Valley residents are already fighting the proposed Sumas Energy 2, Inc, due to concern for air quality and other environmental impacts. The location of the British Petroleum project is also cause for concern. Prevailing southwesterly winds have the effect of moving airborne pollutants into the Fraser Valley, and steep mountain slopes inhibit the dispersal of these pollutants.

The existing Cherry Point oil refinery already contributes to air pollution in the lower mainland. British Petroleum may argue the new gas-fired power plant will replace dirtier boilers on site, but it remains to be seen if total emissions would be reduced. A comprehensive environmental impact study is required if British Petroleum is serious about this proposal, and input from British Columbia's perspective would be appropriate.

Your government failed to seek intervenor status during Washington State's environmental review of the Sumas Energy 2, Inc. project. I hope the government will not make the same mistake if British Petroleum's proposal proceeds to a similar review.

Yours truly,

Barry Penner
Barry Penner, MLA
(Chilliwack)
BDP/moi



RECEIVED

JUL 30 2001

ENERGY FACILITY SITE EVALUATION COUNCIL

Reference: 62536/62510

JUL 24 2001

His Worship Mayor Doug W. McCallum
and Councillors
City of Surrey
14245 56th Ave
Surrey BC V3X 3A2

Dear Mayor McCallum and Councillors:

Thank you for both your recent letters on the subject of BP Arco's Cherry Point co-generation proposal.

British Columbia agencies are already engaged in the Washington Energy Facility Site Evaluation Council (EFSEC) review process for this proposal. While there are few technical details available at this stage, the current proposal calls for a co-generation facility which is inherently more efficient than the recent Sumas proposal. The co-generation facility would also lead to the retirement of several existing boilers, with a possible overall emission reduction from the site, depending on the technologies employed. The company has requested that a scoping study be carried out by EFSEC prior to the preparation of any formal proposal, which would then be subject to environmental review.

EFSEC has advised British Columbia agencies that they will be consulted during the scoping study. The company and EFSEC provided information about the proposal and the review process at the April 20th meeting of the Lower Fraser Valley Air Quality Coordinating Committee (which includes this ministry, Environment Canada, Greater Vancouver Regional District, Fraser Valley Regional District, and Northwest Air Pollution Authority). The agencies were also represented at the public meeting in Ferndale in May. While EFSEC does not anticipate a firm proposal for some months, I can assure you that we are in regular contact with EFSEC, and will continue a cooperative inter-agency approach through the scoping and review process.

.../2



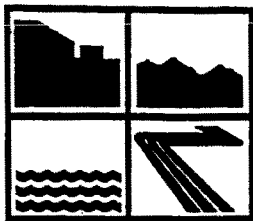
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Joyce Murray
Minister

cc: Mayor Staub & Council, White Rock
Lower Fraser Valley Air Quality Agency Members:
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- GVRD - J. Carline
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- WLAP - Surrey office - J. McCracken
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✓ Washington Energy Facility Site Evaluation Council - A. Fiksdal
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Washington State Energy Facility Site Evaluation Council

AGENCY MEETING COMMENT FORM

BP Cherry Point Cogeneration Project

May 2, 2001

Name: DEAN SCOVILL Date: MAY 2/01
Organization: SOUTH FRASER HEALTH REGION
Address: 14265 - 56TH AVENUE, SURREY, B.C. CANADA V3Y 3A4
Telephone: (604) 572-2603
Email: DEAN.SCOVILL@SEVHR.HNET.BC.CA ← SMALL CASE.

Can you think of issues the Council should consider in siting this project?
What are your concerns? We are very interested in what you have to say.

Please write any comments or questions you have below:

- (1) WHAT ARE ~~THE~~ CURRENT EMISSIONS / ^{LEAKS} FROM ~~THE~~ REFRACTOR?
(PLEASE INCLUDE FUGITIVE EMISSIONS)
- (2) WILL AIR MODELING BE CONDUCTED? WHERE WOULD
THE PLUME MOVE TO? (PLEASE ELABORATE OVER THE REASONS)
- (3) WOULD WE SEE REDUCTION ^{IN} EMISSIONS? Please specify
nature and amount of reduction
- (4) Please ELABORATE ON THE PROPOSED POLLUTION CONTROL
EQUIPMENT

Use the back of this form or attach additional pages if you need more room. ^{OVER}

Please place this form in the drop box, or mail or fax to:

Michelle Elling, EFSEC EFS Specialist
PO Box 43172
Olympia, WA 98504-3172

Phone: (360) 956-2124 Fax: (360) 956-2158
Email: efsec@ep.cted.wa.gov Web Site: www.efsec.wa.gov

- (5.) ONCE THE POWER PLANT PROJECT HAS BEEN COMPLETED
WHAT WILL BE THE NATURE, OF THE POLLUTANTS?
AND AMOUNT.
- (6.) WHAT WOULD BE THE TOTAL ACCUMULATIVE EMISSIONS
FROM NO.5 ABOVE.
- (7.) WILL BACK-UP FUELS BE USED? Please explain
How often will these fuels be used?

Appreciate responses to the above.

Thank-You

DEAN SCOVILL

(601) 512-2603



CITY OF SURREY
Engineering Department

14245 - 56th Avenue, Surrey
British Columbia, Canada V3X 3A2

Telephone
(604) 591-4340

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(604) 591-8693

RECEIVED

JUN 11 2001

May 30, 2001

ENERGY FACILITY SITE
EVALUATION COUNCIL

File: 4550-008

REPLY TO: Land Development Division
ATTENTION: Rob Wilson, M.Eng., P.Eng.

Washington State Energy
Facility Site Evaluation Council
925 Plum Street SE, Bldg. 4
P.O. Box 43172
Olympia, Washington 98504

Attention: Mr. Allen Fiksdal
EFSEC Manager

Dear Mr. Fiksdal:

Re: Proposed BP Cherry Point Cogeneration Project

Thank you for the opportunity to participate in the May 2 agency meeting regarding the BP Cherry Point Cogeneration Project.

Attached for your information is a recent report to Surrey City Council on this issue. Council adopted the recommendations, and I would specifically note for the record the resolution that the BP Cherry Point Cogeneration Project be required to provide net air quality improvement.

Please contact me at (604) 591-4175 on RWilson@city.surrey.bc.ca if you have any questions.

Yours truly,

Rob Wilson, M.Eng., P.Eng.
Manager, Land Development

RAW/brb
Enclosure



Corporate Report

NO: R106

COUNCIL DATE: May 14/0

REGULAR COUNCIL

TO: Mayor & Council

DATE: May 9, 2001

FROM: General Manager, Engineering

FILE: 4550-008

SUBJECT: BP Cherry Point Refinery Cogeneration Project in Blaine, Washington

RECOMMENDATION

1. That the B.P. Cherry Point Cogeneration Project be required to provide net air quality improvement.
2. That letters be sent to the GVRD and B.C. Ministry of Environment requesting they ensure the proposed Cherry Point Cogeneration Project does not negatively affect Surrey and regional air quality.
3. That Engineering Department staff continue to participate in the project review process, and report back as appropriate if further Council action is required.

INTENT

This report provides information on a new thermal power generating plant proposed in Blaine, Washington.

BACKGROUND

The City recently received information from the Washington State Energy Facility Site Evaluation Council (EFSEC) regarding a new energy facility proposed for the BP Cherry Point Refinery in Blaine, Washington. The EFSEC hosted a Potential Site Study agency meeting for this project on May 2, 2001 which was attended by Engineering Department staff.

DISCUSSION

Site Information

The BP Cherry Point Refinery is located in Blaine, Washington, approximately 10 km due south of the Canada/U.S. Border crossing at Hwy. 15 / 176 Street. The Cherry Point Refinery is a major producer of petroleum products for the western U.S. and Canada. The refinery process requires significant electricity supply, which BP currently purchases from the regional power authority, as well as significant steam supply, which BP currently generates on-site using large fuel-fired steam boilers.

Project Scope

Due primarily to a roughly 1000% increase in the market price of electricity over the last 18 months, BP is considering developing their own independent power supply. The Cherry Point Cogeneration Project proposes a 750 megawatt (MW) cogeneration plant using a combination of natural gas-fired combustion and steam turbines. In addition to providing the power needs for the refinery, the plant would also supply steam in place of the existing boilers. BP is also considering making surplus power from the proposed plant available at discount rates for regional businesses and communities.

Process and Timelines

The Washington State EFSEC is the regulatory authority responsible for permitting power plants such as the proposed Cherry Point Cogeneration Project. As expected, the review process for projects of this scale is extensive. BP has not yet submitted an application to EFSEC for the Cherry Point Cogeneration Project – they are at the pre-application stage to assess public and agency issues and concerns.

The process and approximate timelines for this project are as follows:

Pre-application Process / Potential Site Study	Spring/Summer 2001
Application Submission	Fall 2001
Application Review	2002

The application review process is expected to conclude in Fall 2002 with either approval or denial of the site certification. If approval is granted and BP proceeds with the plant, the construction/commissioning would take a further 2-2.5 years.

Potential Implications for Surrey

At this point, the only likely impact to Surrey as a result of the Cherry Point Cogeneration Project is the issue of air quality. BP claim that the plant will be state-of-the-art in terms of efficiency, combustion technology and emissions control. Further, the plant would allow the decommissioning of their 1970s era steam boilers, which are less efficient and are fuelled by heavy fuels such as propane and diesel, and which are less clean burning than the proposed natural gas. BP are currently preparing an Environmental Assessment of the proposed plant to submit with their application, but claim that early results of the EA indicate that air emissions from the refinery as a whole

will not increase, and possibly may even be reduced, with the proposed plant compared to their present emissions.

CONCLUSION

The Cherry Point Cogeneration Project is proposed as a significant thermal power generating plant in Blaine, Washington. The State regulatory and permitting process for the proposed plant is extensive and is expected to occur over the next 18-24 months.

At this point, the only apparent impact to Surrey is the issue of air quality. However, BP's stated objective is to have no net impact – or preferably, a net improvement – in air quality as the new plant would offset emissions from existing, less efficient steam boilers that would be decommissioned. BP should be held accountable to this objective.

Given that air quality in Surrey is administered at the Regional and Provincial levels, it would also be appropriate to send a letter to both the GVRD and MOE, requesting they ensure the Cherry Point Cogeneration Project does not negatively affect Surrey and Regional air quality. Both of these agencies had staff in attendance at the May 2 Potential Site Study agency meeting.

In the meantime, Engineering Department staff will continue to participate in the EFSEC permit review process for this project. Further corporate reports will be brought forward to update Council or if any further Council action is required.



Jorgen Johansen, P. Eng.
General Manager, Engineering

RAW/brb/kjj

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